

DD/S 70-0978

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POLAROID
FILE C+M2-1

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Inspector General's Report of Survey
of the Office of Logistics

REFERENCE : Memo dtd 27 Jan 70 to DD/S fr
ExDir-Compt, same subject

1. This memorandum is for your information.
2. The following paragraphs are keyed to the recommendations noted. They reflect our views after detailed study of the reference and its attachments.

Recommendation 1c:

Concur. Given the amplification provided in your comment, the Director of Logistics will pursue this matter personally with the individuals concerned.

Recommendation 8:

Concur. The Directors of Logistics and Finance are moving on one specific proposal at this time and will continue to concert on other changes which may be feasible prior to full implementation of SIPS.

Recommendation 11:

We urge that, in lieu of delegating contracting authority to an operating official, e. g., the Director of Reconnaissance (who is not identified in Agency regulations), the present regulation be amended to conform to the existing situation and thus "legalize" the delegation theory and practice which has worked so well for many years.

We would propose to revise sub-paragraph a(2) of [] along the following:

"(2) The Director of Logistics shall exercise all the delegable authority of the Director of Central Intelligence as Agency head

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except as otherwise specifically so delegated by the Director. ~~and~~
~~The Director of Logistics shall make recommendations with respect to the exercise by the Agency head of non-delegable authority.~~
~~The Director of Logistics is authorized to make such further delegation of his procurement authorities as deemed appropriate, as may other officials who have been delegated specific authority for procurement by the Director."~~

The Director's authority will, with this change, continue to pass to a contracting officer and not be dependent--in the case of NRO related matters --on a new re-delegation from an operating official.

Recommendation 12:

I do not believe that the effectiveness of the Contract Review Board has seriously suffered under the existing "double bat" arrangement. Further we have not thus far been successful in getting ceiling for the positions of Chairman, Contract Review Board, and a Board Secretary. Also, under FY 70 and FY 71 reductions, we cannot afford to create dedicated ceiling positions from within our own resources. We are currently in process of making some adjustments in the procurement organization, including designating the Deputy Director of Logistics as the Chairman of the Agency Contract Review Board; we expect the changes to strengthen these activities.

Recommendation 16:

The program which established the independent contracting teams specifies that the Logistics careerists on the teams would be "assigned" to operating components and delegated contracting authority in order to perform a contracting function (paragraph 3b and 3d of memorandum from DD/S to Executive Director-Comptroller of 28 March 1967).

Thus, I continue to believe, as stated in my earlier comments on the Inspector General's report, that it would not be appropriate to use fitness reports for the Logistics careerists who are assigned to the independent contracting teams to mean something substantively or organizationally different from those on other Support careerists assigned outside the Support Directorate. I am not aware of anything in the experience with the teams which would point to the need for such a change. Further, if we made this move, it would seem that we should make similar changes in the preparation and review of fitness reporting on Finance careerists assigned elsewhere who are certifying officers, Security officers who are assigned outside Security, and so on. Therefore, I urge that we continue the present arrangement.

(signed) John W. Coffey

R. L. Bannerman

for Support